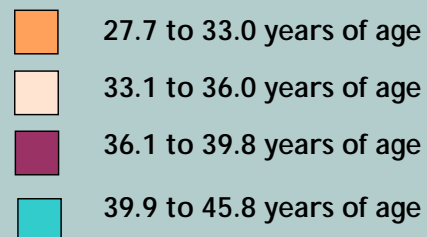
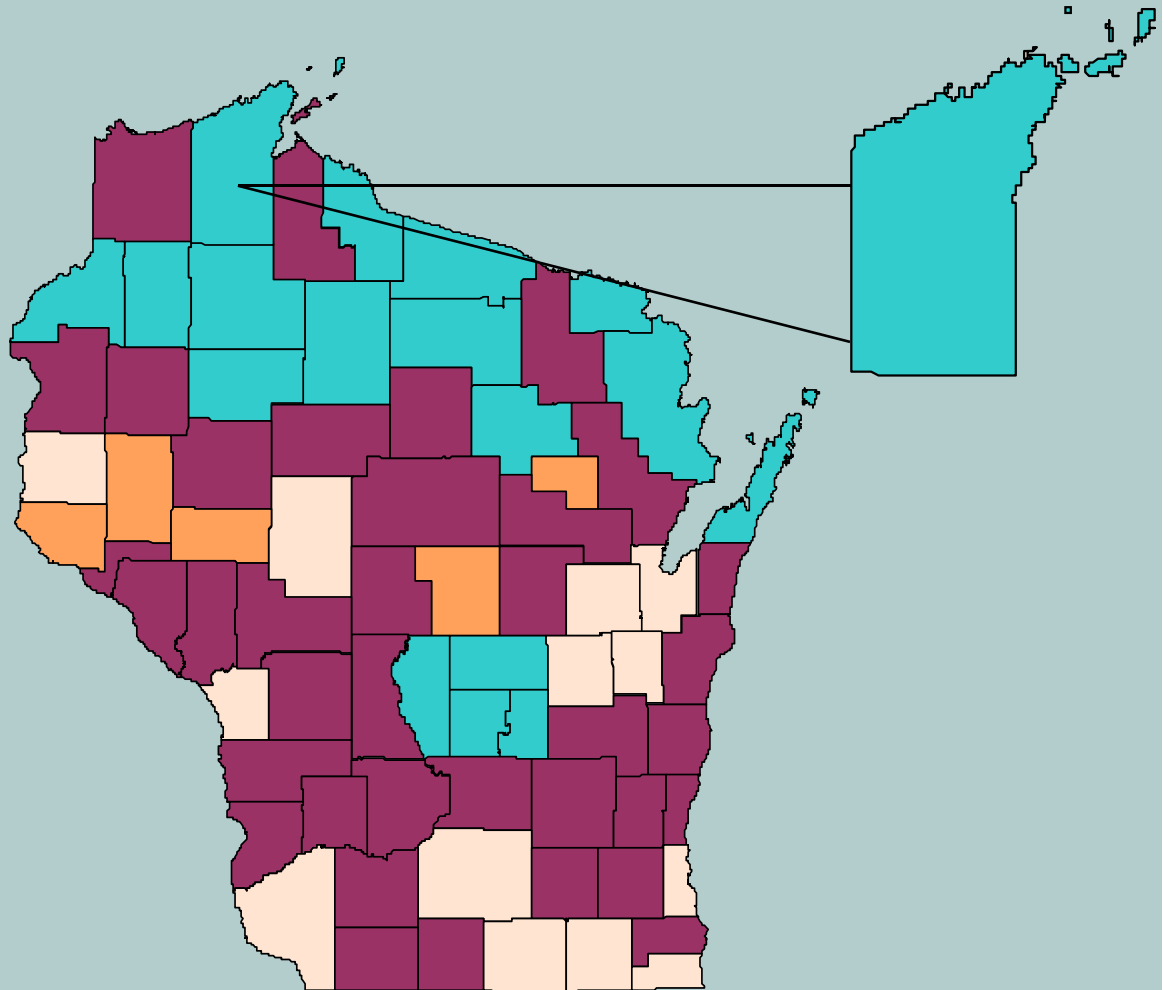


Bayfield County Workforce Profile

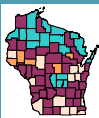
Median Age by County, 2000



Source: Census 2000 of the United States

Your complete
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state of the
labor force of
today and a
glimpse into
the economy of
tomorrow.





County Population

From 1990 to 2000 the population in Bayfield County increased from 14,008 to 15,013 according to Census 2000 information. That increase of 1,005 residents was nearly five and half times greater than the increase during the last decade. That momentum continued through 2000 and by the end of the year the population increased by another 106 residents. At that pace, the increase in county population matched both national and state growth.

The increase in population was largely the result of a surge in new residents relocating to the area. Roughly 18.5 percent of the population over 5 years old lived in a different county in 1995. Of those new residents 40 percent moved from another state and 60 percent from somewhere else in Wisconsin.

A net gain in population from migration means that more people moved to the county than moved out of the county. During the ten years from 1990 to 2000, 1,080 new residents moved to the county. During that same period the number of deaths (1,580) exceeded the number of births (1,505) by 75.

Most, but not all, of those new residents were white although 14 percent were American Indian. During the 1990s, there was an increase of 608 in the white population and an increase of 135 in the

American Indian population. American Indians now comprise 9.4 percent of the total population in the county and live primarily on the Red Cliff Indian Reservation in the Town of Russell.

The population in the Town of Russell increased by 238 residents from 1990 to 2000, the largest numeric increase in the county, while the Town of Drummond, with an increase of 124 residents, had the greatest change during the 1990s of 29.7 percent. New residents in the neighboring towns of Drummond, Barnes and Iron River accounted for 40 percent of the population increase in the county. The largest municipality, the City of Washburn, lost residents during the 1990s; but two contiguous towns, Bayview and Barksdale, added 67 residents.

Many of the residents that moved to the county during the 1990s were older but not so old that they were ready to retire. The greatest increase in the population occurred in the 40-49 year old age group, followed by the second largest increase in the 50-59 year old age group. Some of the increase was from an aging population, but not all of it.

Increases in the age groups on the upper end of the spectrum had an impact on the median age in Bayfield County which increased to 42.1 years in

(Continued on page 2)

Total Population

	2000 Census	January 1, 2001 Estimate	Percent change
United States	281,421,906	283,474,000	0.7%
Wisconsin	5,363,675	5,400,449	0.7%
Bayfield County	15,013	15,119	0.7%

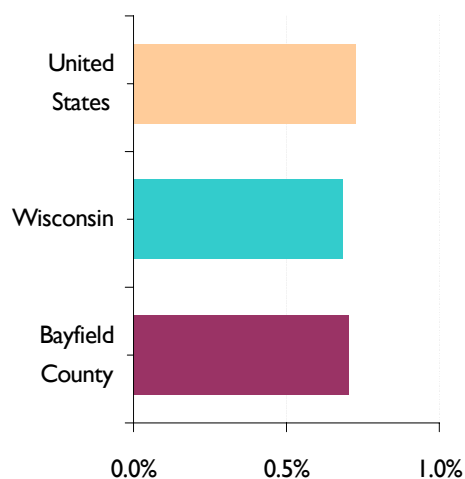
Ten Largest Municipalities

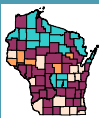
Washburn, City	2,280	2,283	0.1%
Russell, Town	1,216	1,226	0.8%
Iron River, Town	1,059	1,065	0.6%
Cable, Town	836	852	1.9%
Barksdale, Town	801	804	0.4%
Eileen, Town	640	639	-0.2%
Bayfield, Town	625	637	1.9%
Barnes, Town	610	616	1.0%
Bayfield, City	611	609	-0.3%
Washburn, Town	541	545	0.7%

* Bayfield portion only

Source: Wisconsin Department of Administration, Demographic Services, 2002

Population Growth 2000-2001



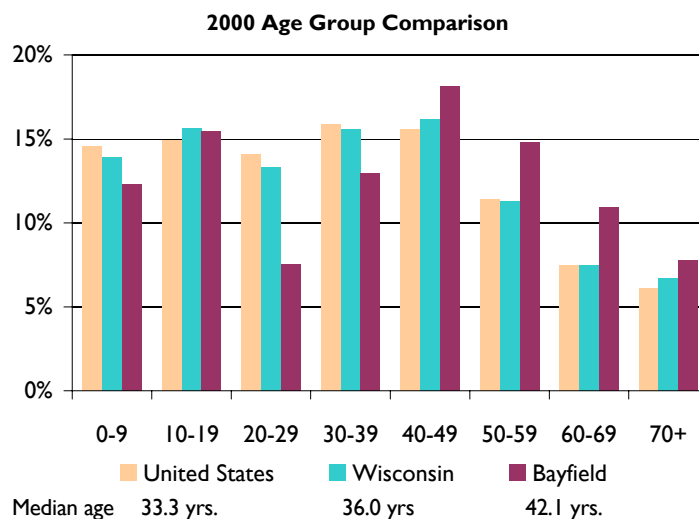


2000 from 37.1 years in 1990. The median age in Bayfield County is substantially higher than the state median age of 36.0 years and the national median of 33.3 years and is ranked 7th highest in the state. The Town of Namekagon with a median age of 58.6 has one of the oldest populations in the state.

The higher median age means that there are more residents in the older population groups than in the younger age groups, something apparent in the graph on the right. The county has a smaller share of population in the age groups under 29 years old and a larger share in the age groups over 40. The dramatic drop in 20-29 year olds reflects the population loss as this group leaves the area following high school graduation. Then, beginning at age 40 there is a larger share of population as new residents move to the area.

The differences in population distribution begin to show in the 20-29 year old group where the county drops lower than both the state and nation and continues to be lower through age 39. By the age of 50 the county has a much larger share of population than either the state or nation.

The consequences of this disparity on the current and future labor force cannot be overstated. While the labor force has already shown signs of diminished growth, the full impact of fewer younger peo-



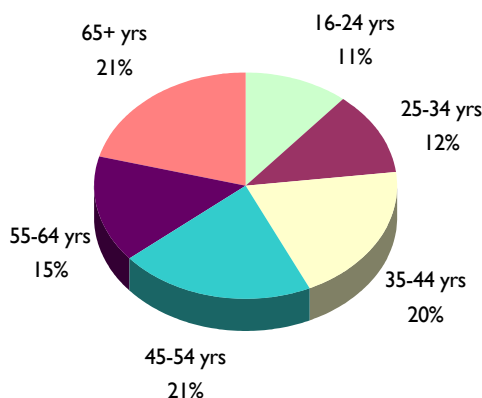
Source: US Department of Commerce, Census Bureau, *Census 2000*

ple available for the labor supply and an increasing older population preparing to retire, will exacerbate the labor shortage. Compounding the problem of fewer workers is an aging population requiring more services that historically have been supplied by a young workforce.

The US Bureau of Labor Statistics (BLS) includes only the population 16 years and older as a potential source of labor. The BLS also excludes the population residing in institutions, such as nursing homes and prisons, and military personnel as a source of labor.

County Civilian Labor Force

Bayfield County Labor Force Age Groups



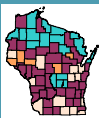
Source: US Dept. of Commerce, Census Bureau, *Census 2000*

The Bayfield County population in 2000 16 years and older totaled 11,837. This population comprises the potential labor force in the county even though 21 percent is 65 years and older. The population over 65 years old shares some common characteristics. To begin with, most of them are retired, even though a recent trend has retirees returning to the workforce to pursue new interests.

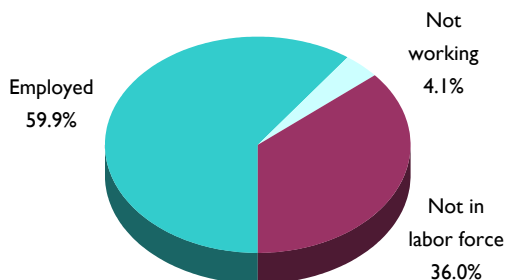
Other age groups also share characteristics. The 16-24 year olds are generally in school, work part-time and during summer breaks, and are starting their first jobs. This group is largely responsible for the increase in labor force during the summer months.

The next group, 25-34 year olds, are the work-

(Continued on page 3)

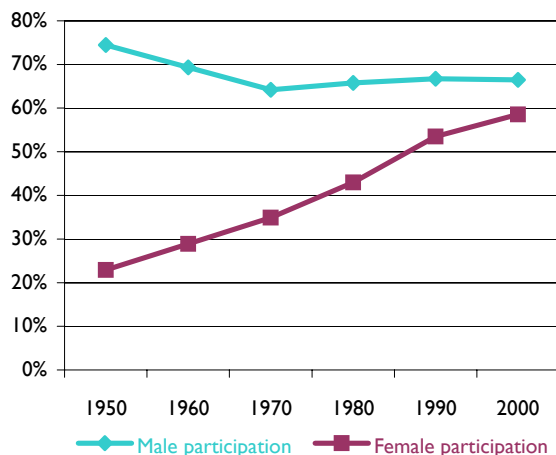


2001 Labor Force Participation



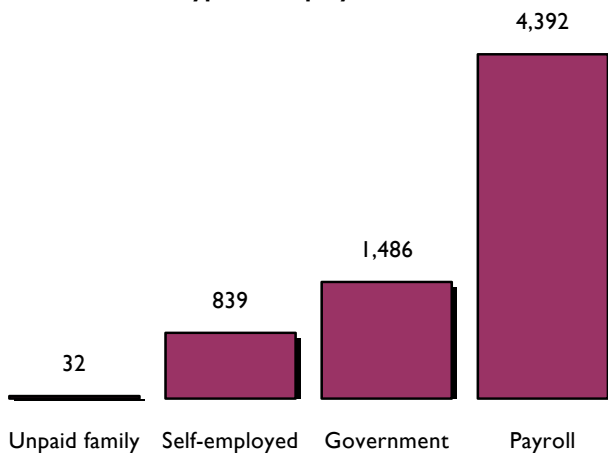
Source: Estimated from WI Dept. of Administration population estimates, Jan. 2001, US Census Bureau, and WI Local Area Unemployment Statistics.

Labor Force Participation of Male and Female Residents



Source: US Dept. of Commerce, Census Bureau, Census 2000

Type of Employment



Source: US Dept. of Commerce, Census Bureau, Census 2000

force of the future, developing and honing skills, and beginning new careers. Many are starting and raising families, acquiring property, and working in at least one job if not two. Many of these same characteristics are shared by the next group, 35-44 year olds. This group is also preparing to send children college, adding or upgrading housing, and looking for ways to add to the family income. Labor force participation is often highest in this group.

By middle-age, workers begin to think about retirement, and during the 1990s, workers were retiring in their fifties. By 65 years old most of the population has retired.

Because each age group has different interests in working the number of individuals who are employed or at least look for work varies. Labor force participation rates by age groups from Census 2000 is scheduled for release in the fall of 2002.

An estimate of labor force participation for 2001 in Bayfield County included 59.9 percent of the labor force age population that worked, 4.1 percent of the population that were unemployed and 36.0 percent that choose not to work. Combining those that were employed with those that were unemployed produces a total labor force participation rate in 2001 of 64 percent.

This labor force participation rate is based on the estimates from the Local Area Unemployment Statistics (LAUS) program and is lower than both the state (73.5%) and national (66.9%) rates. However, Census 2000 data (a snapshot) of one month, April) indicates a slightly lower labor force participation rate than the LAUS data (an estimate of the average of twelve months).

Labor force participation peaked in the county in the mid-1990s and has been falling steadily since then. Participation is currently less than in either the state (73.5%) or nation (66.9%). One of the primary reasons for lower participation is the large share of population over 65 years old, but a secondary reason is the availability of jobs.

Labor force participation varies not only by the age of the population but also by sex. Over the last fifty years, participation in the labor force of females has been steadily increasing while participation of men has been declining. There are a number of factors that serve as explanations for these divergent trends, but the most comprehensive is the change in the county's industry mix away from goods-producing jobs towards service-producing jobs. An-

(Continued on page 4)



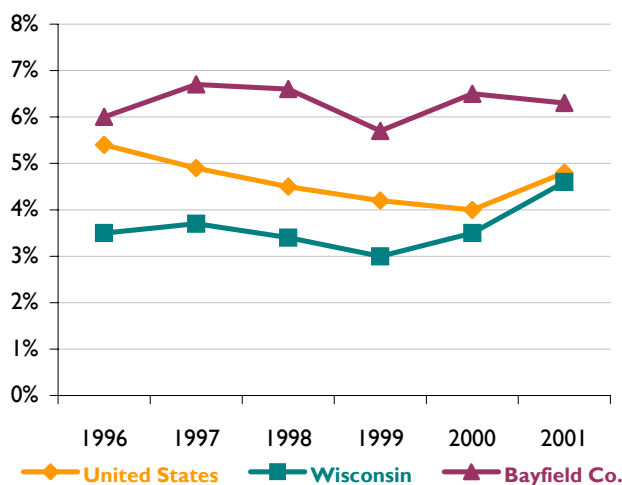
other factor is access to retirement income, especially for men who have been in the workforce longer and in more permanent positions, than women.

Labor force participants who work are engaged in several 'types of employment'. In Bayfield County 65 percent of the employed population work for a private employer and receive a payroll check. Government workers also receive a payroll check, but comprise only 22 percent of total employment.

Nearly 13 percent of workers in Bayfield County are either self-employed or work as an unpaid family member. The share of self-employed and unpaid family members is much higher in Bayfield County than in the state (6.4%), but has declined since 1990. Workers in these categories tend to stay in the labor force longer than workers in payroll jobs.

The number of self-employed and unpaid family members is a good reminder that total employment in the labor force includes more workers than just those employed in payroll jobs. It is one of the reasons that total employment in most counties is greater than the number of nonfarm wage and salary employment (see page 5). In Bayfield County, total employment reached 7,100 in 2001, much higher than the number of job.

Unemployment Rate Comparison

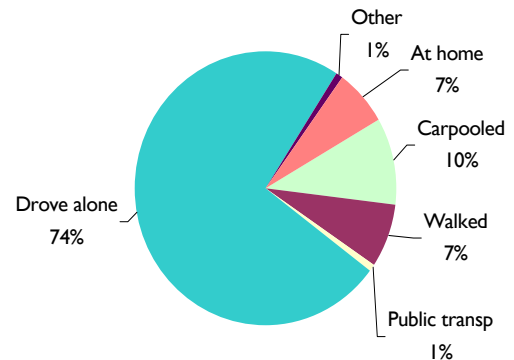


Bayfield County Civilian Labor Force Data

	1996	1997	1998	1999	2000	2001
Labor Force	7,600	7,700	7,500	7,200	7,400	7,600
Employed	7,100	7,200	7,000	6,800	6,900	7,100
Unemployed	460	520	490	410	480	480
Unemployment Rate	6.0%	6.7%	6.6%	5.7%	6.5%	6.3%

Source: WI Department of Workforce Development, Local Area Unemployment Statistics, revised March 2002

County Travel-to-Work Patterns



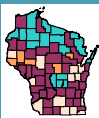
Source: US Dept. of Commerce, Census Bureau, Census 2000

An additional factor that effects the local labor force is the number of workers who commute out of, or into, the county for jobs. Census 2000 revealed that over 42 percent of the workers residing in Bayfield County traveled outside of the county to work. The specific destination of those workers will not be released until 2003.

Over the last five years the number of employed in Bayfield County declined, then returned to 7,100 the same as in 1996. Some of that decline occurred because Bayfield County workers lost their jobs when James River, an Ashland employer, closed. This contributed to an increase in unemployment and a higher unemployment rate.

The county unemployment rate is, and has always been, higher than the rate in either the nation or the state. Large fluctuations in seasonal jobs in construction and tourism which elevate the unemployment rate during the winter months, contribute to a higher annual average rate. In 2001, a high unemployment rate of 9.6 percent occurred in March and a low rate of 3.2 percent occurred in September.

Most of the workers in Bayfield County drive alone to a job, while 10 percent, about the same as in the state, were part of a car pool. With limited public transportation available in the county it is no surprise that few residents (38) use it. Even state-wide, however, only two percent of workers use public transportation.



County Industry Employment

Nonfarm Wage and Salary Employment

	1996	1997	1998	1999	2000	2001	Percent change	
							1 year	5 year
Total	3,708	3,699	3,662	3,716	3,778	3,909	3.5%	5.4%
Goods Producing	454	384	405	445	446	437	-1.9%	-3.7%
Construction & Mining	187	185	196	213	226	235	3.8%	25.4%
Manufacturing	266	199	209	232	219	202	-7.9%	-24.2%
Durable	217	167	177	187	181	168	-7.3%	-22.9%
Nondurable	49	32	32	45	38	34	-10.5%	-29.8%
Service Producing	3,255	3,315	3,257	3,271	3,332	3,473	4.2%	6.7%
Transportation, Communications & Utilities	215	232	225	232	241	235	-2.3%	9.5%
Total Trade	793	785	755	785	809	773	-4.5%	-2.6%
Wholesale	68	59	54	57	60	45	-25.3%	-34.0%
Retail	725	726	701	728	749	728	-2.8%	0.4%
Finance, Insurance, and Real Estate	115	123	134	139	142	146	2.5%	26.8%
Services & Misc.	891	899	901	882	868	945	9.0%	6.1%
Total Government	1,240	1,276	1,243	1,233	1,273	1,374	7.9%	10.7%

Source: WI Department of Workforce Development, Nonfarm wage and salary estimates, revised March 2002

Nonfarm wage and salary employment is an estimate of the number of jobs generated by employers who are located in Bayfield County. All payroll jobs are counted and included occupations from managers to laborers, who work full- and part-time, in permanent, temporary, seasonal positions, and are paid hourly, through commissions, or by piece-

work. Employment is classified using the Standard Industrial Classification (SIC) of the primary product of the employer.

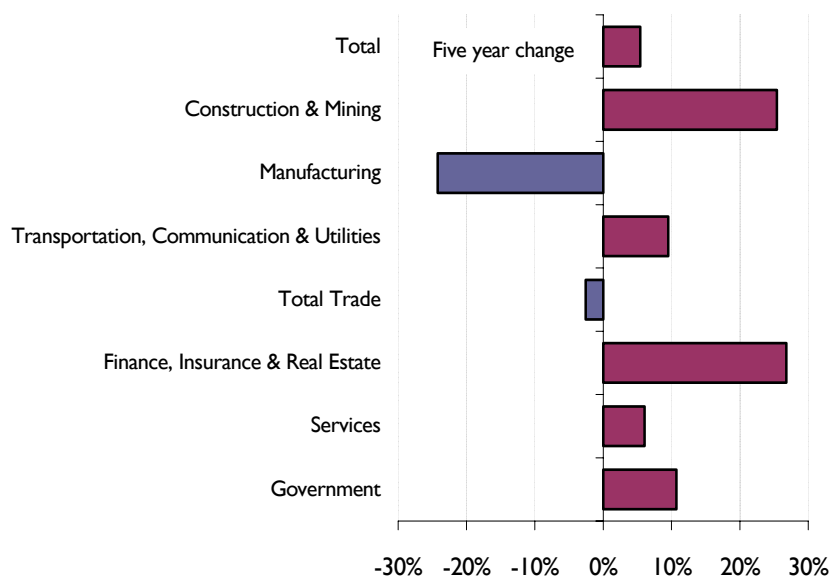
It becomes apparent when you look at this table that Bayfield County employers do not create enough jobs for the workers that live in the county. There were 3,909 nonfarm wage and salary jobs in

the county in 2001, a year when 7,100 county residents were employed. The number of jobs in the county has increased in the last five years, however, and there were 242 more jobs in 2001 than in 1996.

Total nonfarm employment increased 6.6 percent from 1996 to 2001, slower than the increase statewide of 8.7 percent, and nearly all of the additional jobs were with government and service industry employers, specifically executive and general government, local school districts, amusement and recreation services, and health services. Nearly 60 percent of all county jobs are in the services and government industry divisions.

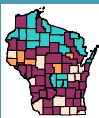
The jobs added by government and services industry employers more than compensated for the lost jobs from manufac-

Employment Change by Industry Division: 1996 to 2001



Source: WI DWD, Nonfarm wage and salary estimates, revised March 2002

(Continued on page 6)



Top 10 Employers

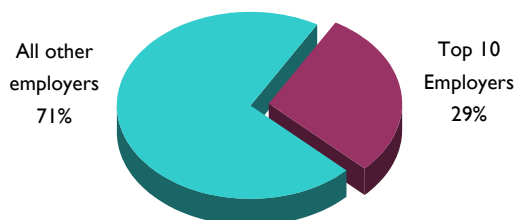
Company	Product or Service	Size
County of Bayfield	Executive & general government	100-249
Red Cliff Band, Lake Superior Chippewa	Executive & general government	100-249
School District of Washburn	Education	100-249
School District of Bayfield	Education	100-249
Northern Lights Health Care Center	Health care services: nursing care	100-249
Isle Vista Casino	Amusement services: gaming	50-99
Drummond Area School District	Education	50-99
Telemark Inc.	Hotels & lodging services: resort	50-99
Dept. of Interior: Apostle Islands Nat. Lakeshore	National park	50-99
Flamingos Up North Inc.	Eating & drinking establishment	50-99

Top 10 Industry Groups

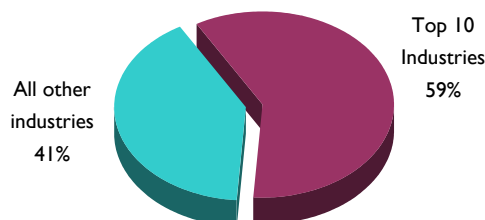
Industry Group	March 2001		Numeric change	
	Employers	Employees	1-year	5-year
Executive, Legislative, and General	30	513	170	185
Educational Services	7	484	38	78
Hotels and other Lodging Places	29	322	23	-107
Eating and Drinking Places	45	297	-11	26
Amusement & Recreation Services	14	215	59	52
Health Services	9	143	18	17
Automotive Dealers & Service Stations	12	92	1	-19
Special Trade Contractors	26	89	-11	14
Food Stores	8	86	-3	5
General Building Contractors	24	79	16	27

*data suppressed to maintain confidentiality

Top 10 Employers' Share of Nonfarm Employment



Top 10 Industry Group Share of Nonfarm Employment



Source: WI Department of Workforce Development, ES-202 file tape, December 2001

turing and wholesale trade employers. Most of the losses were small and occurred during the last year. There are no large industry groups in manufacturing or wholesale trade and neither group is represented in the top ten tables. The opposite is true of the services and government industry divisions.

The largest employer in the county is the county. The second largest, and contributing the most new jobs to the county, is the Red Cliff Band of Lake Su-

perior Chippewa. Three school districts and the National Park Service, all government operations, are also on the list. Yet, these ten employers, out of 479, provide less than 30 percent of the jobs in the county.

Ten industry groups in the county, however, provide nearly 60 percent of the jobs. The employers in many of these industry groups are often small and

(Continued on page 7)



are not included on lists of the largest employers, but together they provide many jobs for local workers. Employers from retail trade, especially eating and drinking places (restaurants and bars) are good examples of this.

Employers in the retail trade industry division provide 21 percent of the jobs in Bayfield County, yet the payroll from employers in the division was only 12 percent of the total payroll from all employers of \$73,032,095. Workers in retail trade often

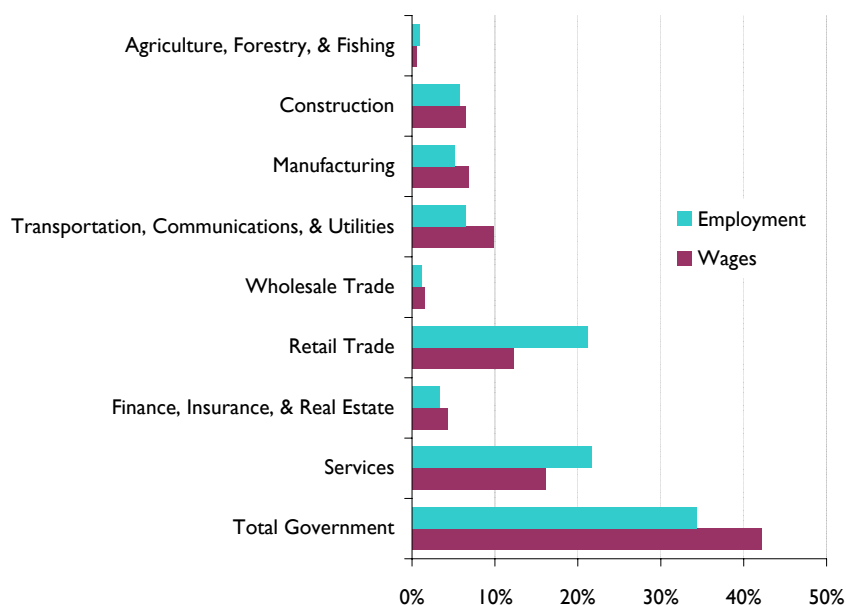
work in part time and seasonal jobs which reduces annual payroll. Many of the employers are also smaller and cannot offer higher hourly wages.

The highest annual average wage, \$28,946, was earned by the workers in transportation, communication and utilities, but was only 78 percent of the average wage earned for similar work statewide. The greatest disparity in wages was in the services industries where workers earned only 49 percent of what their counterparts earned in the state. In

Bayfield County, workers in the services industry are found primarily in hotels and resorts, amusement and recreation where work is seasonal and hourly wages are lower. Statewide, most workers in this industry are employed in health care.

In Bayfield County, the industry vision with the most workers, government, generated 42 percent of the total payroll in the county. The annual average wage for government workers, however, was only 69 percent of wages for similar work in the state. One of the reasons government employment and payroll are high in the county is because employment from Red Cliff enterprises was included in 2001. Many of these jobs are part-time, however, contributing to a lower annual average wage is low.

2001 Employment & Wage Distribution by Industry Division



Annual Average Wage By Industry Division

	Bayfield Co. Annual Average Wage	Wisconsin Annual Average Wage	Percent of State Average	1-year percent change	5-year percent change
All Industries*	\$ 19,007	\$ 30,922	61.5%	1.1%	17.1%
Agriculture, Forestry, & Fishing	\$ 12,445	\$ 22,565	55.2%	21.3%	16.8%
Construction	\$ 21,066	\$ 39,011	54.0%	-2.7%	17.8%
Manufacturing	\$ 25,022	\$ 39,739	63.0%	-1.8%	13.5%
Transportation, Communications, & Utilities	\$ 28,946	\$ 36,639	79.0%	7.0%	20.0%
Wholesale Trade	\$ 23,651	\$ 40,521	58.4%	11.5%	56.1%
Retail Trade	\$ 10,979	\$ 14,596	75.2%	4.0%	15.9%
Finance, Insurance, & Real estate	\$ 24,543	\$ 40,933	60.0%	2.2%	23.5%
Services	\$ 14,158	\$ 28,775	49.2%	-5.8%	5.0%
Total Government	\$ 23,393	\$ 33,785	69.2%	-2.6%	14.6%

* Mining excluded from table since wages were suppressed to maintain confidentiality in every county

Source: WI DWD, *Employment, Wages, and Taxes Due covered by Wisconsin's U.C. Law, 2002*



Occupation and Education Characteristics of County Population

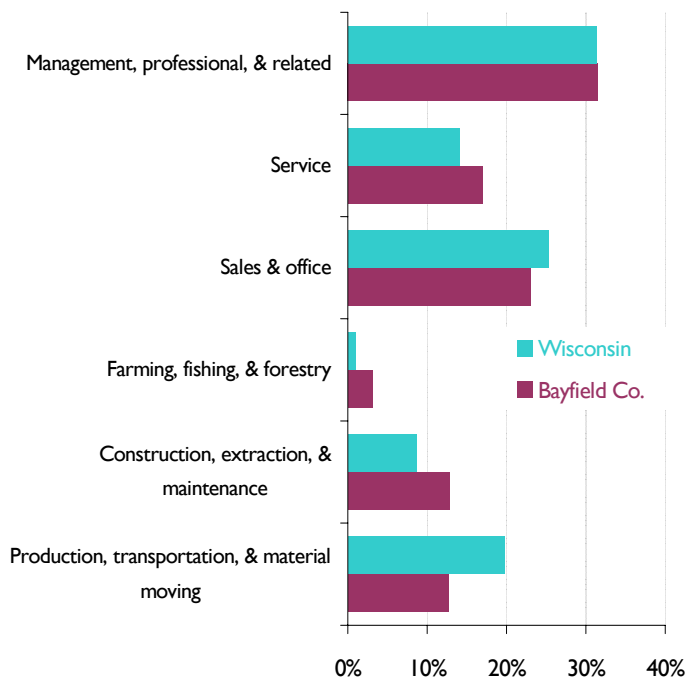
The previous pages explored jobs classified by industry, but jobs are also classified by occupation. Data on occupation employment is more difficult to access, especially at the county level, but the census offers a glimpse into the types of occupations in Bayfield County. As already mentioned many of the residents in Bayfield County work for employers in other counties. The distribution of occupations reflects the employment of all resident workers, including those that are self-employed.

The largest group in the county and the state is management, professional and related occupations. The mix of occupations in this group varies from state to state, and county to county, depending on the industry mix. In Bayfield County, most of the jobs in this group are teachers and health care professionals. These jobs are primarily found with employers in the services industry division and local school districts and require education and training beyond high school. Nationally, 80 percent of jobs in this group require post-secondary education, while in Wisconsin, roughly 78 percent do.

In Bayfield County 53 percent of the population 25 years old and over has some education beyond high school, and 22 percent hold a college degree. That is high for a rural county and nearly matches the statewide attainment of 22.5 percent of the population holding a college degree (Census 2000).

A larger share of the population has 1-3 years of post-secondary education that could include some

Employment by Occupation Group: 2000

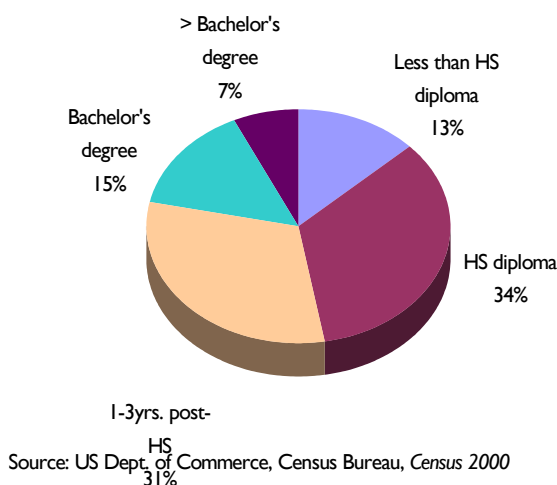


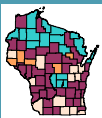
US Department of Commerce, Census 2000

college with no degree, an associate degree, or technical college training. Workers in this group find employment in all occupational groups including the sales and office occupational group, the second largest in the county. Occupations in this group include accounting, advertising, technical sales, and general office occupations. Employers now expect workers in these occupations to have some training beyond high school. The same is true of many of the production and maintenance occupations. Most of these occupations are employed by manufacturing employers, but maintenance workers, truck drivers and mechanics are found in all industry divisions.

The third largest group is service occupations. This group is larger in the county than in the state and has the fewest occupations that require training beyond high school. Workers in service occupations comprise 17 percent of the workforce in Bayfield County compared with 14 percent in the state. Service occupations include nurse aides, janitors, kitchen workers, waiters, and police and firefighters. Wages for many of these jobs are low and workers often work less than 40 hours per week.

Education Attainment in 2000





County Income Information

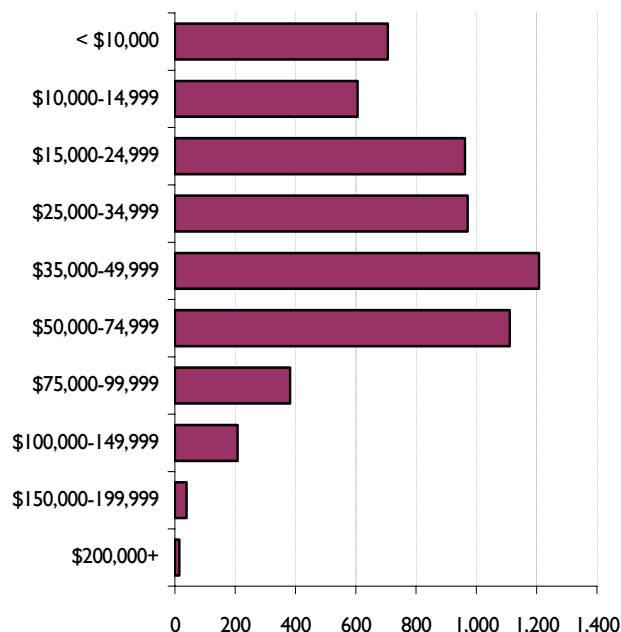
The median household income in 1999 (last full year of income data used for census) in Bayfield County of \$33,391 was 76 percent of the state median income of \$43,791. Only a few households in the county had an annual income over \$75,000 while over one fifth earned less than \$15,000. So many households with low income contribute to a poverty rate in the county of 12.5 percent that is much higher than the rate in the state of 8.7 percent.

Household income is higher than either per capita personal income or annual average wages because households generally include more than one person (the average in Bayfield County is 2.4 persons per household) and workers often hold more than one job. In addition to wages from all workers, household income includes earnings from self-employment, proprietorships, investments, assets, social security, retirement, Veteran's benefits, welfare, and unemployment benefits.

Per capita personal income (PCPI) is the total income in an area, \$314,269,000 in Bayfield County, divided by the total population. PCPI in Bayfield County in 2000 of \$20,911 was 74 percent of the PCPI in Wisconsin and 71 percent of the United States. In the last year it increased 4.8 percent, greater than the increase in the state but not in the nation.

Incomes are lower in Bayfield County, not only because of lower wages but also because of a larger elderly population living on fixed incomes. Income

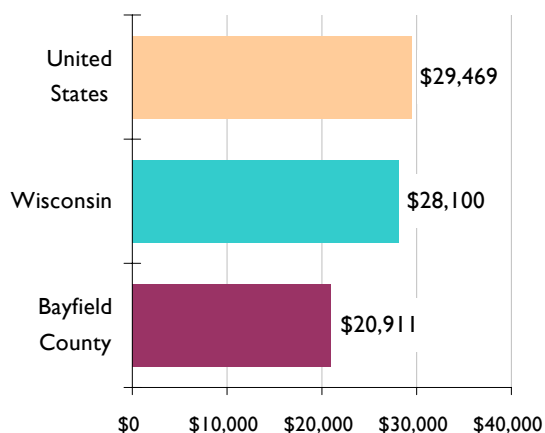
Households by Income Range
Median household income in Bayfield Co. \$33,390



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

from government retirement and medical payments comprises 81 percent of transfer payments and transfer payments in the county are a much greater share than in either the state or nation. The population living on fixed income will only increase in the next ten years.

Per Capita Personal Income 2000



Source: US Department of Commerce, Bureau of Economic Analysis

Components of Total Personal Income: 2000

